

PUBLIC AUCTION REAL PROPERTY FOR SALE

REAL PROPERTY SALE PAMPHLET NO. 65

Auction Date: December 16, 2021

The following State-owned real property is to be sold at public auction on the date, time, and place specified in the attached Real Property Sale Notice:

County	Land Sale No.	Appraised Value & Minimum Acceptable Bid	Transaction Costs	Tenant Improvement Payment	Approx. Acres	Property Name
Okanogan	02-099667	\$88,000	\$0	\$6,000	160+/-	Parcel I



REAL PROPERTY SALE NOTICE

Okanogan County

Notice is hereby given that, at the time and place listed below, the following described properties, owned by the State of Washington and managed by the Department of Natural Resources ("State"), will be offered for sale at public auction to the highest bidder.

Property Descriptions

Parcel I: Tax Parcel #3425230009; Located about five miles northwest of Okanogan to the west of Salmon Creek County Road. Existing grazing lease terminates upon transfer of the parcel.

Directions to Parcel I: Note that there are not any known roads on Parcel J and no current legal access. The closest road to the Parcel is approximately 900 feet northeast of the northeast corner of Parcel J and the closest road is Salmon Creek County Road.

Legal Description for Parcel I: The Southeast quarter of the Southeast quarter of Section 23, Township 34 North, Range 25 East, W.M., Okanogan County, Washington.

Minimum Bid \$88,000 Initial Bid Deposit \$4,400 Transaction Costs \$0

Tenant Improvements Payment \$6,000

Sale Location and Time

Sale will be by <u>oral bid</u> at public auction.

Time: Thursday, December 16, 2021 **Time:** Auction starts at 12:30 PM **Location:** Old Virginia Grainger Building

Okanogan County Commissioner's Hearing Room

123 5th Ave N., Rm 150 Okanogan, WA 98840

Washington State Department of Natural Resources · Real Property Sale Notice Packet #65 ·

Page 2 of 18

Specific terms and conditions of sale

Terms are cash only. Deposits are payable to the **Department of Natural Resources** and may be made in cash or by certified check, cashier's check, postal money order or by a bid bond guarantee in the form of bid bond acceptable to the State. If a bid bond is used, Purchaser shall pay the cash equivalent to State within ten (10) business days of the auction date in cash or by certified check, cashier's check, postal money order, or other method acceptable to the State.

Each person wishing to bid must pre-register for the auction by depositing with the Department of Natural Resources an initial bid deposit and auction pre-registration form for the amount specified above for each parcel the person wishes to bid upon (for Parcel I \$4,400). Bidders wishing to submit bids as agents for purchasers must also furnish, at this time, a power of attorney or other appropriate proof of authority to act on behalf of the Purchaser. Initial bid deposits and auction pre-registration forms may be submitted as follows:

By mail addressed to DNR – Northeast Region Office, 225 S. Silke Road, Colville, WA 99114-0190, and received by the region office by 4:30 p.m., December 15, 2021.

By handing the initial bid deposit and auction pre-registration form directly to the DNR identified auction staff that are present on the day of auction at the Old Virginia Grainger Building, Okanogan County Commissioner's Hearing Room, Room 150, between 12:00 p.m. and 12:30 p.m. or as auction start time may be extended by the auctioneer on December 16, 2021, prior to the start of bidding.

Initial bid deposits will be returned to the unsuccessful bidders at the conclusion of the auction. Checks mailed in to DNR will be returned by mail.

The successful bidder ("Purchaser") is required to execute a Report of Auction of State Lands and Memorandum of Auction of Real Estate agreement on the day of the auction at the Old Virginia Grainger Building, Okanogan County Commissioner's Hearing Room, Room 150, in Okanogan. Purchaser shall pay the balance of the purchase price and all other sums due to the Department of Natural Resources at its Northeast Region Office in Colville or the Natural Resources Building in Olympia as prescribed in the Report of Auction of State Lands and Memorandum of Auction of Real Estate.

Closing shall be as soon as practical for State to issue a quitclaim deed from the Governor's office upon confirmation that the entire purchase price has been paid to the State Treasurer's office. If Purchaser fails to complete the purchase as required, State shall retain the initial bid deposit and any accrued interest, not to exceed five percent (5%) of the purchase price, as liquidated damages for Purchaser's non-performance.

Information about the parcel(s) offered for sale has been obtained from sources considered reliable, but State makes no warranties with respect to its accuracy. The terms of the sale are also posted in the Olympia and Northeast Region offices of the Department of Natural Resources and in the Okanogan County Auditor's office in the State of Washington. Note that these offices are/may be closed at this time to the public due to COVID restrictions.

Washington State Department of Natural Resources · Real Property Sale Notice Packet #65 · Page 3 of 18

<u>Due to the COVID-19 public health crisis and directives</u> by the Washington State Department of Health (<u>www.coronavirus.wa.gov/</u>) DNR will practice COVID-safe entry to, and participation in, the public auction. All participants will be required to:

- physically distance with at least 6-feet separation when standing in line for entry to the event,
- sit in designated seats placed a minimum of 6 feet apart (same household can share multiple seats),
- bring and wear a COVID-safe face mask, and
- avoid congregations in groups while at the event

For further information, including a copy of the Memorandum of Auction of Real Estate, please visit the DNR website at www.dnr.wa.gov under Managed Lands / Land Transactions / Okanogan 2019 Public Lands, or contact Robert Winslow, Project Manager, at robert.winslow@dnr.wa.gov or (360) 480-7803. Reference Auction #65.

GENERAL BIDDING PROCEDURES FOR PUBLIC AUCTION OF STATE LAND

- The bid deposit constitutes an opening bid at the appraised value, which is the minimum acceptable bid. No state-owned real property can be sold for less than its appraised value.
- Bidding is limited to those who have made the required bid deposit and to those acting as agents who have also submitted appropriate proof of authority to so act.
- All bidding shall be done orally.
- The successful bidder's deposit will be retained on the day of the auction and will be applied to the purchase price upon sale confirmation.
- If the volume of sales prevents a sale from being offered on the advertised date, the sale shall continue on the next following business day, between the hours of 10:00 a.m. and 4:00 p.m.
- Property is not sold "subject to purchaser obtaining financing." Purchasers must obtain their own financing.
- Sale will be awarded to the highest bidder, subject to confirmation by State under RCW 79.11.175.
- The successful bidder will be required to execute a Report of Auction of State Lands and Memorandum of Auction of Real Estate.
- State reserves the right to cancel the proposed public auction of any parcel of State-owned property at any time prior to the commencement of the auction.
- * All sales are governed by the terms and conditions contained in this Real Property Sale Pamphlet and the Memorandum of Auction of Real Estate. Purchasers become legally obligated to complete their purchases in accordance with these terms upon being awarded the sale by the auctioneer, subject only to confirmation pursuant to RCW 79.11.175.

GENERAL TERMS AND CONDITIONS OF SALE

Property, Conveyance and Title Insurance

- In the event of a conflict between the terms set forth herein and the Memorandum of Auction, the Memorandum of Auction shall control.
- The property to be sold is described in the Real Property Sale Notice.
- All of State's interest as lessor or sub-lessor in any leases, rental, or occupancy agreements covering any portion of the property, and exclusive easements, rights of way, water rights, and other rights used in connection with the property will be conveyed unless the Real Property Sale Notice lists rights that will be reserved.
- All property sold is subject to the provisions of RCW 79.36.370 relating to easements for removal of valuable material.
- Oils, gases, minerals, etc. as described in RCW 79.11.210, are reserved from sale.
- All property is sold subject to all assessments unpaid at time of sale.
- All property is sold "AS IS, WHERE IS." Bidders are encouraged to examine the property offered for sale to ascertain for themselves the condition of the property, and the existence, if any, of encumbrances, encroachments, etc. State does not make, and specifically disclaims any warranties, express or implied, including any warranty of merchantability or fitness for a particular purpose, about property offered for sale, including, but not limited to any improvements located thereon, and no employee or agent of State is authorized otherwise. The foregoing specifically excludes warranties with respect to the existence or nonexistence of any pollutants, contaminants, or hazardous waste prohibited by law or claims based thereon arising out of the actual or threatened discharge, release, disposal, seepage, migration, or escape of such substances at, from, or into any State land offered for sale. Purchaser shall fully release State from any and all liability to the Purchaser arising out of or related to the condition of the property prior to closing. Purchaser shall indemnify, defend, and hold harmless State with respect to, but not limited to any claims, damages, liabilities, penalties (civil and criminal), and any other costs, including attorney's fees and costs imposed or related to any hazardous, toxic, dangerous, or harmful substances on the property, deposited or released after closing.
- State conveys title by quitclaim deed and shall arrange for the quitclaim deed to be executed by the Governor and recorded upon confirming that the State Treasurer has received the full purchase price and other payments required of the Purchaser.
- State does not furnish title insurance.
- Closing shall occur at the department's Olympia office.
- Purchaser must also execute any other documents necessary to consummate sale as provided herein.

Washington State Department of Natural Resources · Real Property Sale Notice Packet #65 ·

Page 6 of 18

• Each Bidder agrees to execute a Limited License to Inspect Property in the form attached prior to entering Property for inspection purposes.

Confirmation

• State's obligation to consummate sales is subject to confirmation of sales by the department as described in RCW 79.11.175.

Eligibility to Bid

In order to bid on State land sales you must be:

- 18 years of age
- Authorized to submit bids

Seller's Disclosure Statement

• If and to the extent the Property qualifies as commercial property or unimproved residential real property as defined in RCW 64.06.005, the Purchaser shall waive the right to receive a seller's disclosure statement pursuant to Chapter 64.06 RCW. Attached to this Notice is a completed copy of the Environmental section of the statutory disclosure form. Purchaser shall waive the right to rescind this Agreement as provided in Chapter 64.06 RCW.

Purchase Price and Payment

- The purchase price consists of the amount of the winning bid, which will be at or above the appraised fair market value and other charges as per the Real Property Sales Notice applicable to this sale.
- Full payment of the purchase price shall be made in the form and within the time specified in the Real Property Sale Notice.

Destruction or Condemnation

• If on or before the date set for full payment of the purchase price, the property is either materially damaged, or condemnation proceedings are commenced with respect to the property, Purchaser shall have the right, at its sole election, by giving notice to State, either to terminate the purchase or to purchase the property. If Purchaser elects to terminate the purchase, the bid deposit will be returned to Purchaser and all rights and obligations of Purchaser and State shall terminate. If Purchaser elects to purchase the property, insurance proceeds, if any, or condemnation awards payable by reason of the damage or condemnation shall be paid to Purchaser.

Notices

• Any notices given by State to the successful bidder shall be in writing and shall be deemed given upon personal service or deposit in the United States first class mail, postage prepaid, addressed to the bidder at the last address furnished by him or her in writing.

Proration

Washington State Department of Natural Resources · Real Property Sale Notice Packet #65 ·

Page 7 of 18

• State property is not subject to real property taxation. After the sale, this property may be subject to a proration of the current year's taxes.

Real Estate Commission

• State does not engage real estate agents in connection with public auction sales. Any real estate agent or broker acting in connection with any sale shall be deemed to be the sole agent of Purchaser, and Purchaser shall pay any real estate commission payable in connection therewith.

Assignment

• No purchaser of State land may assign its purchase rights without the prior written consent and acceptance by the State, which consent and acceptance the State can withhold in its sole and absolute discretion.

Possession

• Purchaser of State land is entitled to possession upon execution of the deed by the Governor, subject to any existing leases and rights of persons in possession of the property, unless otherwise noted in the Real Property Sale Notice.

Miscellaneous

- Venue for any disputes involving auction sales shall be in Thurston County.
- The representations, warranties, and obligations of Purchaser that are intended to be operative on and after conveyance in order to be fully effective shall be so operative and shall be deemed not to have merged in the deed.

This Real Property Sale Pamphlet is issued pursuant to RCW 79.11.130. Bidders may obtain a copy of the Memorandum of Auction of Real Estate at www.dnr.wa.gov under Managed Lands/ Land Transactions / Okanogan 2019 Public Lands or by calling 360-902-1600. The Memorandum contains the complete terms applicable to this sale.

For further information contact:

Robert Winslow, Project Manager Washington State Department of Natural Resources

Phone: (360) 480-7803

E-mail: robert.winslow@dnr.wa.gov Reference: Sale Pamphlet No. 65

PUBLIC AUCTION

Parcel I

State-owned parcel in Okanogan County

Date: December 16, 2021

Time: 12:30 p.m. for Public Auction

Place: Old Virginia Grainger Building

Okanogan County Commissioner's Hearing Room

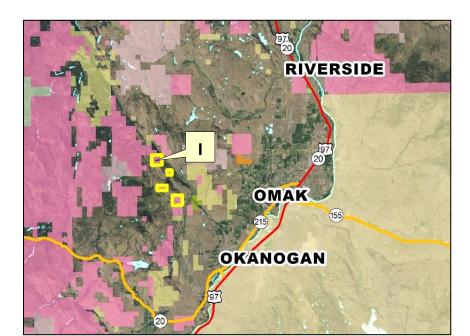
123 5th Ave N., Rm 150 Okanogan, WA 98840











Washington State Department of Natural Resources · Real Property Sale Notice Packet #65 ·

Page 9 of 18

LIMITED LICENSE TO INSPECT PROPERTY

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Washington State Department of Natural Resources · Real Property Sale Notice Packet #65 ·

Page 10 of 18

State of Washington **Department of Natural Resources**

INITIAL BID DEPOSIT AND AUCTION PRE-REGISTRATION FORM

Transaction Name: Okanogan 2019 Parcel I	DNR Agreement Number: 02-099667			
Description of Property: See Real Property Sale Notice associated with Real Property Sale Pamphlet No. 65.				
here	by submits the following initial bid deposit for the			
Okanogan 2019 Parcel I property. (Print full, your name or legal company name)				
(Street address, City, State, Zip Code)	(Phone Number)			
Payments Lump Sum Bid at Oral Action: Initial Bid Deposit: - \$ 4,400 Transaction Costs: - \$ 6,000 Tenant Owned Improvements - \$ 6,000 Balance - \$ The successful high bidder at the oral auct starting at 12:30 p.m., is required to sign the and Memorandum of Auction of Real Estat property on the auction date at the Okanog Room in Okanogan. The location of the OHearing Room is the following: Old Virginia Grainger Building Okanogan County Commissioner's 123 5th Ave N., Rm 150 Okanogan, WA 98840	tion to be held on December 16, 2021, ne Report of Auction of State Lands e for the Okanogan 2019 Parcel I gan County Commissioner's Hearing kanogan County Commissioner's			
INITIAL BID Initial Bid Deposit Amount: \$ [Note: Minimum initial bid deposit is \$4,400 to be a secure of the Initial bid deposits must be received by the DNR washington State Department of Natural Resources · Real Proper	oid on this Okanogan 2019 Parcel I auction.] Northeast Region Office in the mail prior			

to December 16, 2021 , or be submitted in person to the DNR staff present at the Okanogan County Commissioner's Hearing Room in Okanogan between 12:00 p.m. to 12:30 p.m. on December 16, 2021.
Initial Bid Deposit Type:
Cash, certified check, cashier's check, or money order Per Sale Bid Bond
Within ten (10) days of the Auction Date, the successful bidder agrees to pay in cash to State the listed Transaction Costs and any other listed fees in the Real Property Sale Notice and/or the Report of Auction of State Lands and Memorandum of Auction of Real Estate.
Within ten (10) days of the Auction Date, if the successful bidder used a bid bond as an initial bid deposit, the successful bidder agrees to pay in cash to State the full payment of the required bid deposit.
Within forty five (45) days of the Auction Date, the successful bidder agrees to pay in cash to State the balance of the Purchase Price (Balance) and all costs, assessments, prorations, charged due as set forth on the Report of Auction of State Lands and Memorandum of Auction of Rea Estate.
Bidder's Warranty and Bid Signature
By signing and submitting this bid as an offer to purchase real property from the State, the Bidder hereby warrants to the State that they have had an opportunity to fully inspect the real property being sold. Bidder further warrants to the State that they enter this bid based upon their own judgments of the value of the real property, formed after their own examination and inspection of the real property being sold. Bidder also warrants to the State that they enter this bid without any reliance upon the acreage, appraisals, pre-bid documentation, or any other representation by the Washington State Department of Natural Resources.
Date (Signature of Authorized Representative submitting this bid)
(Print name and title of Authorized Representative submitting this bid) Note: All transaction sales are subject to confirmation by the Commissioner of Public Lands (RCW 79.15.120)

All initial bid deposits submitted for the purchase of property being sold by the State must have an original signature on behalf of the person or entity submitting the initial bid deposit, and must be on the form provided in this booklet or a photocopy thereof. The DNR will not accept initial bid deposits that are not signed, and will not accept initial bid deposits that are not on the current, approved initial bid deposit and auction pre-registration form. All appropriate blanks on the bid form must be completed, including the bid bond number if the bidder is relying upon a bid bond for the initial bid deposit.

For more specific information contact the appropriate DNR region office.

In-Person Bids

- A. Due to current COVID health guidelines and restrictions, the Northeast Region Office is closed to the public at this time. If not mailing initial bid deposits as listed below on this form, then the initial bid deposits and auction pre-registration forms may be submitted on the day of auction directly to the DNR staff who are present at the Old Virginia Grainger Building, Okanogan County Commissioner's Hearing Room, Room 150, between the hours of 12:00 p.m. and 12:30 p.m. on the day of the auction. It is anticipated that COVID health guidelines and restrictions will be in Level 3 by the date of the auction, which will permit in-person attendance at the auction for persons wearing masks and maintaining six foot distancing from persons other than family members.
- B. Initial bid deposits and auction pre-registration forms should include an interior envelope with the name of the property for sale, the bidder's name and the DNR agreement number clearly written on the outside of the enclosed interior envelope. The full legal name and business address of the bidder must also be inserted where indicated on the form and must be on the bid bond, if using a bid bond. The initial bid deposit and auction pre-registration forms must be signed by an authorized representative. When a bidder has more than one person authorized to bid, documentation of those persons with signature authority for bidding must accompany the bid or be on file at the DNR region office. One initial bid deposit and auction pre-registration form per envelope.
- C. Initial bid deposit and auction pre-registration forms **must** contain completed forms and an initial bid deposit payment.
- D. Initial bid deposit and auction pre-registration forms **may** contain a check for fees.

Mailed Bids

A. Initial bid deposit and auction pre-registration forms should include an interior envelope with the name of the property for sale, the bidder's name and the DNR agreement number clearly written on the outside of the enclosed interior envelope. The full legal name and business address of the bidder must also be inserted where indicated on the form and must be on the bid bond, if using a bid bond. The initial bid deposit and auction pre-registration form must be signed by an authorized representative. When a bidder has more than one person authorized to bid, documentation of those persons with signature authority for bidding must accompany the initial bid deposit or be on file at

Washington State Department of Natural Resources · Real Property Sale Notice Packet #65 · Page 13 of 18

- the DNR region office. One initial bid deposit and auction pre-registration form per envelope.
- B. Initial bid deposit and auction pre-registration forms that are mailed will be accepted up to 4:30 p.m. the last business day before the auction by the region office in which the sale is located. Bidders assume the risk for the method of delivery. The State assumes no responsibility of any delays caused by any delivery service.
- C. Initial bid deposit and auction pre-registration forms **must** contain a completed bid form and an initial bid deposit.
- D. Initial bid deposit and auction pre-registration forms **may** contain a check for fees.

EXHIBIT C of REAL PROPERTY SALE NOTICE ENVIRONMENTAL DISCLOSURES

ENVIRONMENTAL DISCLOSURES LISTED ON THE FOLLOWING PAGES FOR OKANOGAN 2019 PUBLIC AUCTION PARCEL I

SELLER DISCLOSURE: UNIMPROVED RESIDENTIAL REAL PROPERTY

UNIMPROVED RESIDENTIAL Okanogan 2019 Auction - Parcel I; DNR# 02-099667

7. ENVIRONMENTAL

[] Yes [] No	[x] Don't know	*A. Have there been any flooding, standing water, or drainage problems on the property that affect the property or access to the property?
[] Yes [] No	[x] Don't know	*B. Does any part of the property contain fill dirt, waste, or other fill material?
[x] [] No Yes	[] Don't know	*C. Is there any material damage to the property from fire, wind, floods, beach movements, earthquake, expansive soils, or landslides?
[] Yes [] No	[x] Don't know	D. Are there any shorelines, wetlands, floodplains, or critical areas on the property?
[] Yes [] No	[x] Don't know	*E. Are there any substances, materials, or products in or on the property that may be environmental concerns, such as asbestos, formaldehyde, radon gas, lead-based paint, fuel or chemical storage tanks, or contaminated soil or water?
[x] [] No Yes	[] Don't know	*F. Has the property been used for commercial or industrial purposes?
[]Yes []No	[x] Don't know	*G. Is there any soil or groundwater contamination?
[] Yes [] No		*H. Are there transmission poles or other electrical utility equipment installed, maintained, or buried on the property that do not provide utility service to the structures on the property?
[] Yes [] No	[x] Don't know	*I. Has the property been used as a legal or illegal dumping site?
[] Yes [] No	[x] Don't know	*J. Has the property been used as an illegal drug manufacturing site?

7.C. – Parcel I is located in an area of frequent wind storms and wildfires, but Seller's representative is not aware of any past damage studies specific to this parcel from past wind events or wildfires. Parcel I likely has had past soil stability issues since it is very steep in many places and Salmon Creek erodes and undercuts the adjacent lands. Seller's project manager is not a geologist or qualified specialist, and has not evaluated for and does not have knowledge of any past fires, winds, floods, earthquakes, expansive soils or landslides.

Seller's Initial BW Date 219/2021	Seller's Initial	Date
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7.F. – Parcel I has been commercially leased in the past for livestock grazing. The most recent tenant has been Whitley Farms under DNR lease #10-A74645. The DNR tract book record for this section lists past grazing lessees.

Okanogan 2019 Auction - Parcel Parcel I; DNR# 02-099667

DISCLOSURES CONTAINED IN THIS DISCLOSURE STATEMENT ARE PROVIDED BY SELLER BASED ON SELLER'S ACTUAL KNOWLEDGE OF THE PROPERTY AT THE TIME SELLER COMPLETES THIS DISCLOSURE STATEMENT. UNLESS BUYER AND SELLER OTHERWISE AGREE IN WRITING, BUYER SHALL HAVE THREE BUSINESS DAYS FROM THE DAY SELLER OR SELLER'S AGENT DELIVERS THIS DISCLOSURE STATEMENT TO RESCIND THE AGREEMENT BY DELIVERING A SEPARATELY SIGNED WRITTEN STATEMENT OF RESCISSION TO SELLER OR SELLER'S AGENT. YOU MAY WAIVE THE RIGHT TO RESCIND PRIOR TO OR AFTER THE TIME YOU ENTER INTO A SALE AGREEMENT.

BUYER HEREBY ACKNOWLEDGES RECEIPT OF A COPY OF THIS DISCLOSURE STATEMENT AND ACKNOWLEDGES THAT THE DISCLOSURES MADE HEREIN ARE THOSE OF THE SELLER ONLY, AND NOT OF ANY REAL ESTATE LICENSEE OR OTHER PARTY.

DATE	BUYER	BUYER	and the same
part of any writ disclosure state involved in the	ten agreement between the ment shall be only a disclos	be for disclosure only, and s buyer and seller of residenti- ture made by the seller, and re- e construed as a warranty of saction.	al property. The seller not any real estate license

Seller's Initial BW Date 2/19/7-21 Seller's Initial Date Date

Okanogan 2019 Auction - Parcel Parcel I; DNR# 02-099667 EXHIBIT A

LEGAL DESCRIPTION

The Northwest quarter of Section 23, Township 34 North, Range 25 East, W.M., Okanogan County, Washington.

Seller's Initial BW Date 2/19/2021 Seller's Initial Date Date

Washington State Department of Natural Resources · Real Property Sale Notice Packet #65 ·

Page 18 of 18